

BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE)	Case No.: 607-2007; 607-2053; 607-2054; 607-
CALIFORNIA CORPORATIONS)	2055; 607-2056; 607-2057; & 607-2061
COMMISSIONER,)	
)	ACCUSATION IN SUPPORT OF NOTICE OF
Complainant,)	INTENTION TO ISSUE ORDER REVOKING
)	FINANCE LENDERS LICENSES
vs.)	
)	
DREAMLIFE INVESTMENTS, INC. doing)	
business as DREAMLIFE FINANCIAL,)	
)	
Respondent.)	

The Complainant is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

I

1. Respondent DreamLife Investments, Inc. dba DreamLife Financial (“DreamLife”) is a lender/broker licensed by the California Corporations Commissioner (“Commissioner”) pursuant to the California Finance Lenders Law of the State of California (California Financial Code § 22000 et seq.) (“CFL”). DreamLife currently holds seven (7) licenses issued under the CFL. The main licensed location is at 2130 Geer Road, Suite A, Turlock, California 95382 and was issued on June 29, 2004. The remaining 6 locations were licensed on November 29, 2004.

1 2. California Financial Code section 22101 provides that an application for a CFLL
2 license shall be in the form and contain the information that the Commissioner may by rule require.
3 California Financial Code section 22101 and California Code of Regulations, title 10, section 1422,
4 requires corporate applicants to disclose to the Commissioner in the application all officers,
5 directors, any person owning or controlling, directly or indirectly, 10% or more of the applicant, and
6 all person(s) who would be in charge of the business.

7 3. On or about April 7, 2004, DreamLife filed its initial application for a lender/broker
8 license with the Commissioner pursuant to California Financial Code section 22101 (File No. 607-
9 2007 hereinafter the “application”). The application identified only Donald Benjamin (“Benjamin”).
10 Specifically, Benjamin was identified in the application as the president, secretary, treasurer, sole
11 shareholder and person in charge of DreamLife. Benjamin executed the application under penalty of
12 perjury as president of DreamLife.

13 4. California Financial Code section 22102 provides that a CFLL licensee with one or
14 more licensed locations may apply for additional licensed locations through a short form application
15 as may be established by the Commissioner pursuant to California Financial Code section 22101.
16 California Financial Code sections 22101 and 22102 and California Code of Regulations, title 10,
17 section 1422, require additional location applicants to disclose to the Commissioner in the short form
18 applications all person(s) who would be in charge of these additional locations.

19 5. Commencing on or about August 6, 2004 and continuing through August 18, 2004,
20 DreamLife filed six short form applications with the Commissioner pursuant to California Financial
21 Code section 22102 (File Nos. 607-2053; 607-2054; 607-2055; 607-2056; 607-2057; & 607-2061
22 hereinafter “short form applications”). The short form applications named Benjamin, Angel
23 Longoria, Gwendolyn Brown, Jose Perez, and Kimberly Classen, respectively, as the persons in
24 charge of these additional locations. Benjamin executed these short form applications under penalty
25 of perjury as Chief Operating Officer of DreamLife.

26 6. California Financial Code section 22108 and California Code of Regulations, title 10,
27 section 1422, requires CFLL licensees to amend their application(s) if there is any change in any of
28 the persons required to be identified in the application(s). DreamLife has not filed any application

1 amendment with the Commissioner.

2 7. On or about December 16, 2004, the Department received information that although
3 Benjamin was the sole shareholder of record of DreamLife, Tony Danilo ("Danilo") had provided
4 the financial backing for DreamLife and was to receive 50% of the profits from the business. The
5 Department was further informed that Danilo, while never reported as such, was the president of
6 DreamLife, and Paul Orvo ("Orvo") was the chief executive officer. The information provided to
7 the Department further disclosed that Benjamin had been locked out of the business since September
8 2, 2004 and formally terminated by Danilo and Orvo on October 15, 2004.

9 8. Accordingly, the initial application submitted by DreamLife was false in that (i)
10 Benjamin was not the president of DreamLife, (ii) Benjamin was not the sole officer of DreamLife,
11 (iii) Danilo had not been listed as a person owning or controlling, directly or indirectly, 10% or
12 more of DreamLife, and (iv) Benjamin was not the person in charge of the business. In the
13 alternative, if the changes occurred after licensure, DreamLife violated California Financial Code
14 section 22108 and California Code of Regulations, title 10, section 1422, by failing to amend its
15 initial application to disclose Danilo and Orvo's positions with DreamLife.

16 9. The short form applications submitted by DreamLife were also false in that Danilo
17 was not listed as a person in charge of the business. In the alternative, if the changes occurred after
18 licensure, DreamLife violated California Financial Code section 22108 and California Code of
19 Regulations, title 10, sections 1409 and 1422, by failing to amend its short form applications to
20 disclose that Danilo was a person in charge of the business.

21 10. DreamLife violated California Code of Regulations, title 10, section 1409 by failing
22 to continually maintain a current list of officers and directors with the Commissioner.

23 II

24 California Financial Code section 22714 provides in pertinent part:

25 (a) The commissioner shall suspend or revoke any license, upon
26 notice and reasonable opportunity to be heard, if the commissioner
finds any of the following:

27 (2) The licensee has violated any provision of this division or any rule or regulation
28 made by the commissioner under and within the authority of this division.

(3) A fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

California Financial Code section 22109 provides in pertinent part:

(a) Upon reasonable notice and opportunity to be heard, the commissioner may deny the application for any of the following reasons:

(1) A false statement of a material fact has been made in the application.

(2) Any officer, director, general partner, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has, within the last ten years . . . (B) committed any act involving dishonesty, fraud, or deceit, if the . . . act is substantially related to the qualifications, functions, or duties of a person engaged in business in accordance with this division.

(3) The applicant or any officer, director, general partner, or person owning or controlling, directly or indirectly, 10 percent or more of the outstanding interests or equity securities of the applicant has violated any provision of this division or the rules thereunder . . .

III

Complainant finds that, by reason of the foregoing, Respondent DreamLife has violated California Financial Code sections 22101, 22102 and 22108 and California Code of Regulations, title 10, sections 1409 and 1422, and that a fact(s) or condition(s) now exists, that if they had existed at the time of original licensure, reasonably would have warranted the Commissioner in refusing to issue the licenses to DreamLife, and based thereon, grounds exist to revoke the finance lenders licenses of DreamLife.

WHEREFORE, IT IS PRAYED that the CFLL licenses of Respondent DreamLife be revoked.

Dated: December 27, 2004
Los Angeles, CA

WILLIAM P. WOOD
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel